

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -JUNE 20, 2006- -7:30 P.M.

Mayor Johnson convened the Regular Meeting at 7:43 p.m. The Alameda High School Baseball Team led the Pledge of Allegiance.

ROLL CALL - Present: Councilmembers Daysog, deHaan, Gilmore, Matarrese, and Mayor Johnson - 5.

Absent: None.

AGENDA CHANGES

(06-306) Mayor Johnson announced that the Resolution Acknowledging City Attorney Carol Korade [paragraph no.06-309] would be heard after Proclamations, Special Orders of the Day and Announcements.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(06-307) Presentation of Certificates to the Alameda High School Baseball Team members for winning the North Coast Section Championship on June 3, 2006.

Mayor Johnson read the names of the Alameda High School Baseball Team members.

Councilmember Matarrese congratulated the team; stated the team was rated number one in the East Bay at the end of the year.

Mayor Johnson stated five of the team members have played together for ten years.

Vice Mayor Gilmore stated she has watched a lot of the young men grow up through Alameda Little League and Babe Ruth; the players have become fine, young men; congratulated the team.

Couch Ken Arnerich thanked Council; stated the team grade point average is 3.4.

Mayor Johnson and Vice Mayor Gilmore presented the Baseball Team members with certificates.

Mayor Johnson stated the City is proud of the team's efforts and accomplishments; she is impressed with the team's grade point

average; congratulated the team members and their families.

Councilmember deHaan stated winning the championship was quite an accomplishment.

(06-308) Proclamation declaring June 2006 as Gay Pride Month.

Mayor Johnson presented the original and alternate proclamation to Christine Allen, Maia Bradford, and Liz Ryan from Out on the Island.

Maia Bradford, Liz Ryan and Christine Allen thanked the Council for the proclamation.

Councilmember Daysog stated Alameda has come a long way; the work is difficult but progress can be made.

Councilmember Matarrese requested that the Social Service Human Relations Board (SSHRB) review the City's flag policy.

REGULAR AGENDA ITEM

(06-309) Resolution No. 13972, "Acknowledging City Attorney Carol Korade for Her Contributions to the City of Alameda." Adopted.

Councilmember Daysog moved adoption of the resolution.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

Mayor Johnson read the resolution; stated the Ms. Korade's service have been excellent.

Councilmember deHaan stated the Ms. Korade is leaving the City in better shape; commended her for all her accomplishments.

Councilmember Matarrese thanked the Ms. Korade; stated the she was constantly professional; wished her the very best.

Vice Mayor Gilmore thanked Ms. Korade for boundless enthusiasm, energy, and creativity.

Councilmember Daysog stated Ms. Korade has done so much for the City in a time of profound changes; she has been instrumental in

helping the City through dark times.

Mayor Johnson presented a certificate of Special Recognition from Congressman Pete Start and a resolution from State Senate President Pro Tem Don Perata, and the City seal.

Ms. Korade thanked past and present Council for the opportunity to work in Alameda; stated the City has a great staff.

CONSENT CALENDAR

Mayor Johnson announced that the recommendation to authorize filing for a \$2.3 million grant application [paragraph no. 06-314] would be removed from the Consent Calendar for discussion.

Councilmember Matarrese moved approval of the remainder of the Consent Calendar.

Councilmember deHaan seconded the motion, which carried by unanimous voice vote - 5. [Note: Mayor Johnson abstained from voting on the June 6, 2006 regular meeting minutes (paragraph no. *06-310)].

[Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*06-310) Minutes of the Special City Council Meetings on May 30, 2006, May 31, 2006, and the Special and Regular City Council Meetings held on June 6, 2006. Approved.

[Note: Mayor Johnson abstained from voting on the June 6, 2006 regular meeting minutes.]

(*06-311) Ratified bills in the amount of \$1,368,889.80.

(*06-312) Recommendation to award Contract for Legal Advertising for Fiscal Year 2006-07. Accepted.

(*06-313) Recommendation to reject the sole bid, value engineering and re-bid revised bid documents for the construction of the Bayport Community Building. Accepted.

(06-314) Recommendation to authorize filing for a \$2.3 million grant application to the Metropolitan Transportation Commission to implement the Webster Renaissance Project, Phase II.

Ed Clark, West Alameda Business Association (WABA) President thanked Council for project support; encouraged continued support.

Councilmember deHaan expressed gratitude on how well the project turned out; stated a few more blocks need to be completed; that he supports the staff recommendation.

Councilmember Matarrese moved approval of the staff recommendation.

Vice Mayor Gilmore seconded the motion, which carried by unanimous voice vote - 5.

(*06-315) Recommendation to accept the work of Republic Electric for the Crosswalk In-Pavement Lights (SR2S) to serve Donald Lum Elementary School, Haight Elementary School, Wood Middle School, and Chipman Middle School Project No. P.W. 01-04-01. Accepted.

(*06-316) Recommendation to adopt Plans and Specifications and authorize Call for Bids for Modular Recreational Building and Site Improvements at Washington Park, No. P.W. 05-06-17. Accepted.

(*06-317) Recommendation to accept the work of Zaccor Company for the Bay Farm Island Dike - Emergency Repair, No. P.W. 01-06-02. Accepted.

(*06-318) Resolution No. 13973, "Approving an Agreement for Funding from the State of California Coastal Conservancy to Implement Spartina Eradication and Mitigation Measures." Adopted.

(*06-319) Resolution No. 13974, "Authorizing the City Manager to Submit an Application for Measure B Paratransit Funding for Fiscal Year 2006-07." Adopted.

(*06-320) Resolution No. 13975, "Authorizing Grant of a Non-Exclusive Easement from the City of Alameda to Pacific Gas and Electric Company within Parcel 3 of Parcel Map No. 4497." Adopted.

(*06-321) Resolution No. 13976, "Requesting and Authorizing the County of Alameda to Levy a Tax on All Real and Personal

Property in the City of Alameda as a Voter Approved Levy for the General Obligation Bonds Issued Pursuant to a General Election Held November 7, 2000." Adopted.

(*06-322) Resolution No. 13977, "Establishing a Five-Day Workweek Alternative with Corresponding Salary for the Classification of Chief of Police." Adopted.

Mayor Johnson called a recess at 8:30 p.m. and reconvened the Regular Meeting at 8:55 p.m.

REGULAR AGENDA ITEMS

(06-323) Public Hearing to consider Resolution No. 13978, "Approving Engineer's Report, Confirming Diagram and Assessment, and Ordering Levy of Assessments, Island City Landscaping and Lighting District 84-2." Adopted.

Mayor Johnson opened the public portion of the Hearing.

There being no speakers, Mayor Johnson closed the public portion of the Hearing.

Councilmember Matarrese requested that the weeds in the triangle median in Zone 4 between Tilden Way and Lincoln Avenue be addressed.

The Public Works Coordinator stated the median strip is supposed to be maintained by Oil Changers; she will follow up on the matter.

Councilmember Matarrese moved adoption of the Resolution.

Vive Mayor Gilmore seconded the motion, which carried by unanimous voice vote - 5.

(06-324) Public Hearing to consider Resolution No. 13979, "Approving Engineer's Report, Confirming Diagram and Assessment, and Ordering Levy of Assessments, Maintenance Assessment District 01-01 (Marina Cove)." Adopted.

Mayor Johnson opened the public portion of the Hearing.

There being no speakers, Mayor Johnson closed the public portion of the Hearing.

Vice Mayor Gilmore moved adoption of the resolution.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

(06-325) Public Hearing to consider Resolution No. 13980, "Authorizing Collection of Delinquent Integrated Waste Management Accounts by Means of the Property Tax Bills." Adopted.

Mayor Johnson opened the public portion of the Hearing.

Opponents (Not in favor of resolution): Mark Fielding, Alameda; Lou Bradas, Alameda; Jon Spangler, Alameda.

Proponents (In favor of resolution): None.

There being no further speakers, Mayor Johnson closed the public portion of the hearing.

Vice Mayor Gilmore inquired how long the accounts have been delinquent; stated there seems to be a lag in time from when payment was due and notification.

The Public Works Director responded ACI is required to give four formal, default notifications; stated Mr. Fielding received three notifications; he has not researched Mr. Bradas' claim; ACI might apply payment to the most delinquent account.

Councilmember deHaan inquired whether people are receiving proper notification and whether issues are being resolved at the ACI level.

The Public Works Director responded in the affirmative; stated delinquent accounts have decreased by 30% since last year; four formal notification letters were sent to any account that was in default after 45 days; the City also sent two letters.

Councilmember deHaan inquired whether direction was given to contact the City instead of ACI.

The Public Works Director responded contact information for both

ACI and the City were provided.

Councilmember deHaan stated the City should not do ACI's work; the City should be the mediator as a last resort.

The Public Works Director stated ACI has 20,000 accounts; seventeen of the fifty-nine delinquent accounts have been paid.

Vice Mayor Gilmore stated the City required that ACI open and maintain a customer service branch in Alameda; she would be concerned if people are advised to contact Public Works.

The Public Works Director stated the letter advises customers to contact Public Works regarding City requirements.

Councilmember deHaan stated there were seventy-two delinquent accounts last year; inquired how many liens were removed.

The Public Works Director responded thirty-four accounts went to lien.

Mayor Johnson stated ACI should handle the issues to every extent possible; ACI should not be sending residents to Public Works to resolve accounts.

Councilmember Matarrese suggested moving forward with the staff recommendation minus the two accounts brought to Council attention; stated Public Works should review the two cases; an update should be provided if there are deficiencies in the way that ACI is handling the matter; review of the process will be ongoing as long as there is a lien process.

The Public Works Director stated a written communication was also received; inquired whether Councilmember Matarrese's direction would include said communication.

Councilmember Matarrese responded in the affirmative.

Mayor Johnson inquired what was the process for keeping track of an owner's address, to which the Public Works Director responded the address is obtained from the Assessor's Office.

Mayor Johnson stated owners should be informed to notify the City if there is a change of address; notices might be missed otherwise; the City should not have to keep track of landlord

addresses.

Councilmember deHaan inquired what was ACI's generated Contract revenue, to which the Public Works Director responded \$12 million dollars.

Councilmember deHaan stated he was concerned with the lien process; Public Works should not be involved with the process too early.

Councilmember Matarrese moved adoption of the resolution with the exception of the three residents who communicated issues to Council and direction for Public Works to address the three cases on an individual basis.

Vice Mayor Gilmore seconded the motion, which carried by unanimous voice vote - 5.

ORAL COMMUNICATIONS, NON-AGENDA

(06-326) Gretchen Lipow, Alameda (submitted handout), stated six to twenty-four story condominiums are planned for Oakland's Oak Street to Ninth Street project; traffic on Interstate 880 would be impacted; questioned why the impact has not been brought to public attention in Alameda; exempting Measure A at Alameda Point would increase density and change Alameda; Measure A does not interfere with the City's ability to develop housing at Alameda Point; the term "exemption" is vague; urged not placing an exemption on the ballot because the campaign would be heavily financed by developers who want to build condominiums on the other side of the estuary.

(06-327) Michael John Torrey, Alameda (submitted handout), discussed the National Rifleman's Association and gun laws.

(06-328) Jon Spangler, Alameda, commended Council and staff for making Alameda a great place to live; noted Police Captain Brock stopped a bike thief on Park Street while off duty.

COUNCIL COMMUNICATIONS

(06-329) Mayor Johnson stated she attended the Mayor's Conference in Las Vegas; the Conference was informative; she learned about significant nationwide issues in other cities.

(06-330) Written communication from the League of California Cities requesting designation of Voting Delegate for the League's 2006 Annual Conference.

Councilmember Daysog stated that he would be happy to serve as the City's representative.

Vice Mayor Gilmore noted that she could not serve as the alternate.

Councilmember deHaan stated that he would serve as the alternate.

Vice Mayor Gilmore moved approval of Councilmember Daysog serving as the City's delegate and Councilmember deHaan serving as the alternate.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

(06-331) Consideration of Mayor's nominations for appointment to the Civil Service Board, Commission on Disability Issues, Economic Development Commission, Historical Advisory Board, Housing and Building Code Hearing and Appeals Board, Housing Commission, Library Board, Planning Board, Public Utilities Board, Social Service Human Relations Board, and Transportation Commission.

Mayor Johnson nominated: Roberto Rocha for reappointment to the Civil Service Board; Michael E. Soderberg for appointment to the Civil Service Board; DuWayne A. Crone and Paulina Kirola for appointment to the Commission on disability Issues; Judith A. Lynch for reappointment to the Historical Advisory Board - Community-at-Large Seat; Mark Irons for appointment to the Historical Advisory Board - Contractor Seat; Jeff Cambra for reappointment to the Housing and Building Code Hearing and Appeals Board; Harold J. Holmes for appointment to the Housing and Building Code Hearing and Appeals Board; Billie Trujiilo for reappointment to the Housing Commission; Karen A. Butter for reappointment to the Library Board; Anne Cook and Andrew J. Cunningham for reappointment to the Planning Board; Ann McCormick for reappointment to the Public Utilities Board - Engineer Seat; Michael J. Krueger and Robert L. McFarland for reappointment to the Transportation Commission.

(06-332) Councilmember deHaan stated Oakland's Ninth Street Project was discussed last November; the impacts would be the same as Alameda impacting Oakland Chinatown; Alameda should voice concerns regarding closing off transportation corridors; the Off Agenda Report on the matter should be shared with the public; Council needs to communicate with the general public; the Chamber of Commerce made a presentation on the matter.

(06-333) Councilmember deHaan stated the Alameda Development Corporation (ADC) controls some efforts with the Bayport Housing project; requested an Off Agenda Report on ADC's health and welfare and how the present individuals running ADC interface with the developer.

Councilmember Daysog stated Council and staff would be vigilant in ironing out any wrinkles with the ADC.

(06-334) Mayor Johnson stated Disaster Preparedness was discussed at the Mayor's Conference; federal funding comes to the region, not to the City; requested a report on which agency the money goes to and how the money is distributed.

(06-335) Councilmember Daysog encouraged the public to attend the movie by Al Gore regarding the environment; stated the movie is very informative.

ADJOURNMENT

There being no further business, Mayor Johnson adjourned the Regular Meeting at 9:39 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.

MINUTES OF THE SPECIAL JOINT CITY COUNCIL,
COMMUNITY IMPROVEMENT COMMISSION (CIC), ALAMEDA
REUSE AND REDEVELOPMENT AUTHORITY (ARRA), AND HOUSING
AUTHORITY BOARD OF COMMISSIONERS (HABOC) MEETING
TUESDAY- -JUNE 20, 2006- -5:30 P.M.

Mayor/Chair Johnson convened the Special Joint Meeting at 5:40 p.m.

Roll Call - Present: Councilmembers / Commissioners /
Authority Members / Board Members
Daysog, deHaan, Gilmore, Matarrese, and
Mayor/Chair Johnson - 5.

Absent: None.

The Special Joint Meeting was adjourned to Closed Session to consider:

(06-304CC/06-029CIC) Conference with Legal Counsel - Existing Litigation; Name of case: Operation Dignity v. Alameda Reuse and Redevelopment Authority, City of Alameda, Community Improvement Commission and Housing Authority.

(06-030CIC) Conference with Legal Counsel - Existing Litigation; Name of case: Community Improvement Commission v. Cocores Development Company.

(06-031CIC) Conference with Real Property Negotiators; Property: Fleet Industrial Supply Center; Negotiating parties: Community Improvement Commission and ProLogis; Under negotiation: Price and terms.

Mayor/Chair Johnson called a recess at 7:42 p.m. to hold the Regular Meeting and reconvened the Special Joint Meeting at 8:30 p.m.

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(06-305CC) Conference with Labor Negotiators; Agency Negotiators: Craig Jory and Human Resources Director; Employee Organizations: Alameda City Employees Association, International Brotherhood of Electrical Workers, and Management and

Confidential Employees Association.

Following the Closed Session, the Special Joint Meeting was reconvened and Mayor/Chair Johnson announced that regarding Operation Dignity v. Alameda Reuse and Redevelopment Authority, the Council/Commission were provided with an update and direction was given regarding settlement parameters; regarding Community Improvement Commission v. Cocores Development Company, the Commission received a briefing from Legal Counsel and gave parameters for settlement discussion; regarding Conference with Real Property Negotiators, the Commission received a briefing from Real Property Negotiators and direction was given to Real Property Negotiators; regarding Conference with Labor Negotiators, Council received a briefing on the status of negotiations and gave direction to Labor Negotiators.

Adjournment

There being no further business, Mayor/Chair Johnson adjourned the Special Joint Meeting at 8:55 p.m.

Respectfully submitted,

Lara Weisiger, City Clerk
Secretary, Community Improvement
Commission

The agenda for this meeting was posted in accordance with the Brown Act.

MINUTES OF THE ANNUAL COMMUNITY IMPROVEMENT COMMISSION MEETING
TUESDAY- -JUNE 20, 2006- -7:25 P.M.

Chair Johnson convened the Annual Meeting at 9:40 p.m.

ROLL CALL - Present: Commissioners Daysog, deHaan, Gilmore,
Matarrese, and Chair Johnson - 5.

Absent: None.

CONSENT CALENDAR

Commissioner Daysog moved approval of the Consent Calendar.

Commissioner deHaan seconded the motion, which carried by
unanimous voice vote - 5.

[Items so enacted or adopted are indicated by an asterisk
preceding the paragraph number.]

(*06-032) Minutes of the Special Community Improvement
Commission Meetings of June 7, 2006. Approved.

(*06-033) Recommendation to authorize the Executive Director to
execute an amendment to the Master Consulting Agreement with
Harris & Associates for engineering and construction support
services for the remaining phases of the Bayport Project by
adding additional budget authority in an amount not to exceed
\$265,000.00, of which \$115,000.00 will be reimbursed by the
homebuilder for In-tract Plan Review and Inspection. Accepted.

REGULAR AGENDA

(06-034) Public Hearing to consider adoption of Resolution No.
06-143, "Adopting the Five-Year Implementation Plan: Fiscal
Years 2005/06 - 2009/10 for the Alameda Point Improvement
Project." Adopted.

The Development Services Director provided a brief presentation.

Chair Johnson opened the public portion of the Hearing.

There being no speakers, Chair Johnson closed the public portion
of the Hearing.

Commissioner Daysog moved adoption of the resolution.

Commissioner Matarrese seconded the motion, which carried by unanimous voice vote - 5.

ORAL COMMUNICATIONS, NON-AGENDA

None.

COMMISSION COMMUNICATIONS

None.

ADJOURNMENT

There being no further business, Chair Johnson adjourned the Special Meeting at 9:42 p.m.

Respectfully submitted,

Lara Weisiger
Secretary

The agenda for this meeting was posted in accordance with the Brown Act.

MINUTES OF THE SPECIAL JOINT CITY COUNCIL,
ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY,
AND COMMUNITY IMPROVEMENT COMMISSION MEETING
TUESDAY- -JUNE 20, 2006- -7:31 P.M.

Chair Johnson convened the Special Joint Meeting at 9:42 p.m.

ROLL CALL - Present: Councilmembers / Board Members /
Commissioners Daysog, deHaan, Gilmore,
Matarrese, and Mayor/Chair Johnson - 5.

Absent: None.

MINUTES

(06-336CC/06-035CIC) Minutes of the Joint City Council, Alameda Reuse and Redevelopment Authority, and Community Improvement Commission Meeting held on June 6, 2006. Approved.

Councilmember/Board Member/Commissioner deHaan moved approval of the minutes.

Councilmember/Board Member/Commissioner Matarrese seconded the motion, which carried by the following voice vote: Ayes: Councilmembers/Board Members/Commissioners Daysog, deHaan, Gilmore, and Matarrese -4. Abstentions: Mayor/Chair Johnson - 1.

AGENDA ITEMS

(06-337CC/06-036CIC) Discussion of Fiscal Year 2006-2007 and 2007-2008 Citywide budget and City Council Resolution No. 13981, ARRA Resolution No. 38 and CIC Resolution No. 06-144, "Approving Interim Expenditures Prior to Adoption of the Operating Budget for Fiscal Year 2006-2007." Adopted.

Vice Mayor Gilmore/Board Member/Commissioner moved adoption of the resolutions.

Councilmember/Board Member/Commissioner Matarrese seconded the motion, which carried by unanimous voice vote - 5.

John Oldham, Management and Confidential Employees Association (MCEA) President, stated MCEA has been without a salary increase for thirty months; negotiations have been going on for over eighteen months with very little movement; the budget has improved by underfunding PERS contributions from 1996 to 2003;

the City is offering less than inflation and asking for takeaways; the cost for the average Alameda house has increased by 31%; gas has increased 152%; MCEA is looking to stay even with inflation.

Beckie McWilliams, MCEA Vice President stated a coalition of all miscellaneous bargaining groups was formed to explore the possibility of enhancing the current PERS retirement; the PERS Coalition requested a meeting with the City in May 2005; the Interim City Manager/Executive Director met with the group to ascertain what the Coalition was interested in achieving; subsequently, the PERS Coalition made several requests to meet with the City; the City has ignored the requests; only five out of thirty-one northern California cities do not offer an enhanced PERS package; employer rates have decreased with the recent implementation of new smoothing methodology by PERS; the Coalition feels the time is appropriate for the City to consider moving forward with an enhanced PERS package as a tool for retention and recruitment; an enhanced PERS package would serve to entice qualified, high caliber City employees.

Christopher Buckley, Alameda, stated the Customer Service Improvement Team's main objective is to work with the Planning and Building Department to help promote good customer service in the permit process; the team is concerned that the Planning and Building Department is adequately staffed to ensure proper customer service; the team senses that staff has been increasingly challenged; permit activity has increased 40% and staff has decreased; increased fees should pay for additional staff; the Planning and Building Department has two unfunded vacant positions; the team urges funding the two positions.

The City Manager/Executive Director provided a brief presentation on the Fiscal Year 2006-2007 and 2007-2008 budget.

Mayor/Chair Johnson inquired whether there would be a crossing guard at Chipman School.

The City Manager/Executive Director responded all School District requests would be reviewed; the key area is the new Ruby Bridges School.

Councilmember/Board Member/Commissioner Matarrese stated there are two deficit situations; one deficit is the streets,

sidewalks and general infrastructure; the other deficit is unfunded positions; inquired whether the risk of not funding the positions is acceptable.

The City Manager/Executive Director responded evaluations would continue throughout the year.

Councilmember/Board Member/Commissioner Matarrese stated he hopes the unfunded positions do not become owed, legacy positions that are approved and funded without justification; he would rather mitigate some of the risks, especially in public safety; risks need to be balanced; he is concerned that the increased revenue is on a bubble which is based on escalation of housing prices; sales tax has decreased; the ten-year forecasting model should review prices coming down.

The City Manager/Executive Director stated the matter would be monitored continually.

Councilmember/Board Member/Commissioner Matarrese stated that justifying open, unfunded positions should be reviewed before a commitment is made to replenish the reserves.

The City Manager/Executive Director stated any new or unfunded position requires the same amount of justification.

Councilmember/Board Member/Commissioner Matarrese inquired why the positions are carried.

The City Manager/Executive Director responded Council authorized the positions in the past which are currently unfunded or non-existent; Council action is required to eliminate the positions.

Mayor/Chair Johnson stated the matter should not be brought back with the goal of either justifying or eliminating unfunded positions; the matter should be a long-term assessment; reviewing whether to use reserves to fund the positions is fine.

Councilmember/Board Member/Commissioner Matarrese stated current revenue is programmed to replenish the reserves; he is not advocating taking reserve money to pay for salaries unless there is a disaster.

Mayor/Chair Johnson stated the matter is a long-term, strategic

issue that needs to be reviewed.

Councilmember/Board Member/Commissioner Daysog stated he was glad that unfunded positions are not being eliminated; the Police Department had a mass retirement in 2001 or 2002; Police positions decreased from 111 to 104; a decision was made not to fill the positions; the City continues to grow; conversation needs to steer towards funding the unfunded positions; funding sources need to be recognized; he does not want to take from "operational peter" to pay for "infrastructure paul."

Mayor/Chair Johnson stated other departments have a number of unfunded positions.

Councilmember/Board Member/Commissioner deHaan stated there was concern in getting the pavement management program up to speed and eliminating the backlog; inquired whether other funds might be available in addition to Proposition 42.

The City Manager/Executive Director responded the Construction Improvement Tax and Urban Runoff Fund are available.

Councilmember/Board Member/Commissioner Matarrese stated the risk of not funding positions versus the risk of keeping the reserves at the current level is important to review.

Mayor/Chair Johnson stated other City needs should be reviewed also.

Councilmember/Board Member/Commissioner Matarrese stated the needs should be reviewed on a risk basis.

Councilmember/Board Member/Commissioner deHaan inquired when the sidewalk and tree management program would be presented and whether the budget would be impacted.

The City Manager/Executive Director responded the future budget would be impacted; stated a lot of money was appropriated for sidewalk improvements last February; she cannot predict the exact date when the program would be presented.

Councilmember/Board Member/Commissioner deHaan stated stabilizing the Pavement Management Program and identifying a constant funding stream would provide a balance; inquired

whether the \$1.6 million Vehicle Replacement Program is a substantial increase from the past.

The Finance Director responded the vehicle replacement amount has been \$150,000 to \$200,000 in the past, except for the years when an ambulance was replaced.

Councilmember/Board Member/Commissioner deHaan stated vehicle replacement was neglected because of budget constraints; inquired whether catch-up could be done during the next fiscal year.

The Finance Director responded an equipment replacement reserve is part of the General Fund budget; vehicles that should have been replaced were set aside in favor of keeping public safety vehicles current.

Mayor/Chair Johnson inquired whether vehicles would be replaced with alternative fuel vehicles, to which the Finance Director responded in the affirmative.

Councilmember/Board Member/Commissioner deHaan stated Alameda Power and Telecom is investigating natural gas for three vehicles.

The Public Works Director stated Council authorized the City Manager to submit an application for four electric vehicles which would replace three existing vehicles on the vehicle replacement list; a recommendation was made to have an all electric vehicle for the Information Technology Department also.

Mayor/Chair Johnson stated vehicles should be replaced with vehicles that are appropriate for the use.

The City Manager/Executive Director stated having a Managed Vehicle Replacement Program is advantageous.

Mayor/Chair Johnson inquired whether the 2006-2007 Capital Improvement Program included anything for parks.

The City Manager/Executive Director responded three parks were budgeted in 2005-2006; stated the parks will be improved in the current fiscal year; the Turf Management Program will help determine where funds will be applied.

Mayor/Chair Johnson inquired whether enough money is budgeted for maintenance; stated maintenance needs to be done and cannot wait for the Turf Management Program.

The Acting Recreation and Parks Director responded he is confident the funding levels will be adequate.

Councilmember/Board Member/Commissioner Daysog stated he is happy to see the planned Webster Street pedestrian signals; Public Works projects are distributed well throughout the City.

Vice Mayor/Board Member/Commissioner Gilmore stated she appreciates the response regarding how the redevelopment and tax increment process works; citizens need to understand that some funds come with restrictions on how the funds are to be used.

Mayor/Chair Johnson inquired whether the redevelopment process is posted to the website, to which the City Manager/Executive Director responded in the affirmative.

Mayor/Chair Johnson stated that the West Alameda Business Association (WABA) is receiving a 33% grant increase; inquired whether an increase is feasible for the Park Street Business Association (PSBA).

The Development Services Director responded the budget recommendation was to create parity between the two business associations; stated WABA was raised to the same level that PSBA was funded last year; PSBA's grant was not increased; there is some room for an increase to PSBA.

Mayor/Chair Johnson inquired what increase could be given to PSBA, to which the Development Services Director responded 10% to 15%.

Mayor/Chair Johnson stated WABA's grant increase should be brought up to 33% because of the streetscaping plans; directed PSBA's grant be increased by 10%, if possible.

Councilmember/Board Member/Commissioner deHaan inquired whether the Greater Alameda Business Association (GABA) requested funding, to which the Development Services Director responded not in the last few years; GABA received minor grants in the

past.

Councilmember/Board Member/Commissioner deHaan inquired whether GABA's needs should be reviewed.

The Development Services Director responded the City has talked with GABA; stated the City assisted GABA by paying fees for a bike race; GABA is aware that the City will help if needed.

Councilmember/Board Member/Commissioner deHaan inquired whether WABA and PSBA have different funding streams.

The Development Services Director responded she was not aware of any; stated both associations have the Business Improvement Tax and fundraisers.

Councilmember/Board Member/Commissioner deHaan stated money should be set aside for GABA.

Mayor/Chair Johnson stated money should not be set aside if not requested.

The Development Services Director stated the practice is that no reasonable request would be denied.

Vice Mayor/Board Member/Commissioner Gilmore stated the golf revenue is down for Fiscal Year 2005-2006 and possibly is due to the weather; the projected budget for 2007 is up 38%; inquired whether the increase is based on a projection for better weather or something else.

The Finance Director responded the 2007 revenue projection is based on an average rain year; stated the last two years had excessive rain; the increase does not include any fee increases.

Vice Mayor/Board Member/Commissioner Gilmore inquired whether the Golf Commission is discussing fee increases, to which the Finance Director responded in the affirmative.

The City Manager/Executive Director stated any proposed increase would come to Council.

Mayor/Chair Johnson inquired what happens if there are a lot of rain days next year.

The Finance Director responded the forecasted revenue would not be met; stated staff would come back to Council mid-year and recommend a reduction in the forecasted revenues.

Vice Mayor/Board Member/Commissioner Gilmore inquired whether a large portion of the restricted reserves is for the new Clubhouse, to which the Finance Director responded the net assets are the physical assets.

Councilmember/Board Member/Commissioner deHaan inquired what was the net unrestricted balance, to which the Finance Director responded the net unrestricted balance is cash.

Councilmember/Board Member/Commissioner deHaan stated there is a downward trend.

The Finance Director stated the downward trend is one of the motivating reasons for fee discussion.

Councilmember/Board Member/Commissioner deHaan stated the golf climate has changed.

Mayor/Chair Johnson stated golf is declining nationwide; the City cannot just raise fees to address the issue; people will go to other golf courses if fees are raised.

Councilmember/Board Member/Commissioner deHaan stated a decline in playing golf on dry days could indicate that the golf industry is changing.

The Finance Director stated the Golf General Manager is reviewing a lot of alternatives to generate revenues.

Councilmember/Board Member/Commissioner Daysog inquired whether part of the revenue increase is the Return on Investment (ROI) change.

The Finance Director responded the ROI is revenue in the General Fund and increases the Golf Department's expenditures.

Councilmember/Board Member/Commissioner deHaan stated 15% of the reserves have dropped in the last five years; negative flows could occur two years out.

Councilmember/Board Member/Commissioner Matarrese stated part of the reason for building a new Clubhouse is to change the look of the Golf Course and increase revenues.

Mayor/Chair Johnson stated the Joint City Council and Golf Commission Meeting is scheduled soon.

The City Manager/Executive Director stated the Golf Commission is reviewing a business plan and issues beyond rainy days.

Mayor/Chair Johnson stated the Golf Commission should not be looking at the issue as a short-term rain problem; the national trend has been declining golf for years; inquired whether the restricted reserves would be used for the Clubhouse.

The City Manager/Executive Director responded the restricted reserves identify the actual capital assets.

Mayor/Chair Johnson stated the business plan should be adjusted to reflect the current revenue.

Councilmember/Board Member/Commissioner deHaan stated the ROI was decreased currently but was increased in the past to address the City's shortfall.

The Finance Director stated the Council adopted an ordinance that established the Payment in Lieu of Taxes (PILOT) and ROI in Fiscal Year 2004-2005; the ROI applies to the Alameda Power and Telecom and Golf funds; the PILOT applies to the sewer fund, Alameda Power and Telecom and Golf fund; the PILOT and ROI produced additional revenue which was helpful in 2005 and 2006; the recommendation was to reduce the ROI by 50% on the Golf fund and Alameda Power and Telecom because of the increasing General Fund revenue.

Councilmember/Board Member/Commissioner deHaan inquired whether lowering the ROI further is anticipated, to which the Finance Director responded possibly.

Mayor/Chair Johnson stated the ROI should not be considered a permanent source of revenue.

Vice Mayor/Board Member/Commissioner Gilmore inquired whether

the ROI reduction is the reason that the franchise and in-lieu fees are down 11%, to which the Finance Director responded partially.

Councilmember/Board Member/Commissioner Daysog stated finding money under different shells is hard work; choices need to be made; thought should be given to applying future redevelopment revenues to positions and programs; a plan is needed for dealing with the public safety shortfall.

Councilmember/Board Member/Commissioner Matarrese stated the City is taking a step in undoing some of the tangle with State takeaways; he is concerned with the direction of sales tax revenues and living on the bubble of the property and transfer tax; the City needs to be vigilant and careful; staffing, benefits, and deferred maintenance need to be reviewed in the ten-year forecast; evaluation should be done at mid-term; focus should be on the need first; applying incoming revenues to the reserve should be discretionary; damaged infrastructure that provides the highest risk to individuals should be reviewed; sidewalk maintenance should be reviewed closely because of trips and falls.

Mayor/Chair Johnson thanked the City Manager/Executive Director and staff for an informative and clear budget; stated she appreciates that the budget was put together strategically; goals and long-term issues were addressed; she hopes that the residents learn that the budget is a matter of balancing; employees' work is appreciated; employee's issues will be considered.

Councilmember/Board Member/Commissioner deHaan stated the budget shows a positive movement; the City is not completely out of the woods; the City Manager/Executive Director made some monumental steps to fill required positions and to address needs that have not been met in the last four years.

Vice Mayor/Board Member/Commissioner Gilmore stated the last two-year budget addressed cutting programs and positions which would minimally impact services to the residents; the City is now looking at adding services and positions and has come a long way; thanked everyone for working very hard on the budget.

Councilmember/Board Member/Commissioner Daysog stated funding

should be applied to Lincoln Avenue between Eighth Street and Grand Avenue if the purple line on the Public Works map is for streets; the streets are covered with tar and are not attractive.

Mayor/Chair Johnson stated staff should make assessments on the greatest need, not cosmetics.

Councilmember/Board Member/Commissioner Daysog stated streets are paved along Grand Avenue from Lincoln Avenue to Park Street; streets are unpaved west of Grand Avenue.

Vice Mayor/Board Member/Commissioner Gilmore stated Public Works identified the streets that need the most attention; she would prefer to drive down tarred streets rather than streets with potholes.

Mayor/Chair Johnson stated Interim City Manager Bill Norton started the crack sealing program.

Councilmember/Board Member/Commissioner Daysog stated money has been dedicated to repair unused streets.

The Public Works Director stated the Pavement Management Program prioritizes the needs based on the street condition and not traffic; a resurfacing Contract has already been authorized.

Councilmember/Board Member/Commissioner deHaan inquired whether crack sealing is still done, to which the Public Works Director responded slurry sealing is done.

Mayor/Chair Johnson stated crack sealing should continue in order to prevent further damage until slurry sealing can be done.

Councilmember/Board Member/Commissioner Daysog stated he is not opposed to crack sealing.

The Public Works Director stated some streets are crack and slurry sealed to extend the life longer; sealing is the most cost-effective way to spend the money.

Councilmember/Board Member/Commissioner deHaan stated the City has crack sealing equipment.

The Public Works Director stated that the City borrowed the equipment; work was performed by City staff.

Councilmember/Board Member/Commissioner deHaan stated he does not want to see crack sealing disappear.

Mayor/Chair Johnson stated crack sealing needs to be funded.

Councilmember/Board Member/Commissioner deHaan stated that he attended Alameda Power and Telecom's budget meeting; direction has been taken to lower the overall operating cost; management would like to reduce the operating cost even lower.

Mayor/Chair Johnson inquired whether or not other maintenance issues would be addressed.

The City Manager/Executive Director responded the focus is to have a very comprehensive maintenance approach; stated staff is dedicated to applying funds to infrastructure.

Councilmember/Board Member/Commissioner deHaan stated he eagerly looks forward to the sidewalk and tree program.

Councilmember/Board Member/Commissioner Matarrese stated the tree portion is critical.

The City Manager/Executive Director stated the budget would come back to Council for approval on July 5.

(06-338CC/06-037CIC) Discussion of City Attorney/General Counsel Legal Services and staffing options.

The City Attorney/Legal Counsel provided a brief presentation.

Mayor/Chair Johnson inquired whether the analyst position for the Americans with Disabilities (ADA) update would have an end.

The City Attorney/Legal Counsel responded the initial part of the project has an end; stated an on-going effort would continue to monitor meeting the ADA Transition Plan's goals.

Mayor/Chair Johnson inquired why the work could not be contracted out.

The City Attorney/Legal Counsel responded a consultant would be hired to prepare an update to the existing ADA Transition Plan; City staff would need to coordinate efforts.

Mayor/Chair Johnson stated she is not sure whether a full time person is needed to work with an outside consultant.

Councilmember/Commissioner Matarrese inquired whether the position would do other risk assessments that might preclude the City from spending money on outside counsel when sued.

The City Attorney/Legal Counsel responded in the affirmative; stated the past Administrative Management Analyst position assists the Risk Manager, reviews and investigated all claims, and makes recommendations.

Mayor/Chair Johnson inquired how many employees are in Risk Management, to which the City Attorney/Legal Counsel responded two full-time positions: Risk Manager and support staff.

The City Manager/Executive Director stated updating the ADA Transition Plan is very staff intensive.

Mayor/Chair Johnson inquired whether the job responsibility would include claim review.

The City Attorney/Legal Counsel responded in the affirmative; stated some safety services could be reinstated.

Mayor/Chair Johnson inquired what type of safety services would be reinstated.

The City Attorney/Legal Counsel responded a safety committee would review workplace safety with the intent to reduce workplace injuries.

The City Manager/Executive Director stated the person would work in a pro-active mode rather than reacting to claims.

Mayor/Chair Johnson inquired whether another department could handle the work.

The City Attorney/Legal Counsel responded in the affirmative;

stated the Administrative Analyst position would provide a lot of bang for the buck; the person would provide the ADA Transition Plan oversight, risk management services, and safety services.

Councilmember/Board Member/Commissioner Matarrese stated there is an advantage to having the position in the City Attorney's office because of internal audit functions; Option 3 provides advantages.

Mayor/Chair Johnson suggested filling the Risk Management Analyst position and holding off on hiring another attorney to see how one City Attorney and two staff attorneys work; stated the City needs to provide legal services in the most efficient way possible.

Vice Mayor/Board Member/Commissioner Gilmore stated the City Attorney's office has been working with three attorneys over the last several months and the situation has been an issue.

Councilmember/Board Member/Commissioner deHaan inquired whether teaching safety should be handled through Human Resources; further inquired who is taking care of workers compensation.

The City Attorney/Legal Counsel responded Risk Management handles workers compensation.

Councilmember/Board Member/Commissioner deHaan stated the City Attorney/Legal Counsel's latitude is very limited.

The City Attorney/Legal Counsel stated she hired an attorney to start July 5.

Councilmember/Board Member/Commissioner deHaan stated looking into hiring an additional attorney might be appropriate.

Vice Mayor/Board Member/Commissioner Gilmore moved approval of hiring another staff attorney.

Councilmember/Board Member/Commissioner Matarrese clarified that the motion is to have the staffing level of the City Attorney and three staff attorneys; the Risk Management Analyst position would be held in abeyance.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

Vice Mayor/Board Member/Commissioner inquired whether the Risk Management Analyst position would be brought back to Council with more detail, to which the City Manager/Executive Director responded in the affirmative.

Mayor/Chair Johnson inquired how many employees are in the City Attorney's office, to which the City Attorney/Legal Counsel responded seven.

Mayor/Chair Johnson inquired whether all seven employees are full time, to which the City Attorney/Legal Counsel responded in the affirmative.

Mayor/Chair Johnson inquired whether the City Attorney's office had any part-time staff, to which the City Attorney/Legal Counsel responded a law clerk.

Mayor/Chair Johnson inquired whether the seven employees include the attorney starting in July.

The City Attorney/Legal Counsel responded the new attorney would bring staffing up to eight; tonight's authorization will bring the City Attorney and Risk Management staffing level to nine.

Councilmember/Board Member/Commissioner Matarrese requested that an organizational chart be provided when the matter returns to Council.

ADJOURNMENT

There being no further business, Mayor/Chair Johnson adjourned the Special Joint Meeting at 11:30 p.m.

Respectfully submitted,

Lara Weisiger, City Clerk
Secretary, Community Improvement
Commission

The agenda for this meeting was posted in accordance with the Brown Act.